

A U S T I N C I T Y C O U N C I L

AGENDA



Thursday, August 24, 2006

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Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION

ITEM No. 53

Subject: Authorize award and execution of a 24-month requirements supply contract with RTI HOT MIX LTD, Austin TX, for hot mix asphalt concrete for the Public Works Department in an estimated amount not to exceed \$3,701,447, with two 12-month extension options in an estimated amount not to exceed \$2,570,449 for the first extension option and an estimated amount not to exceed \$3,213,062 for the final extension option, for a total estimated contract amount not to exceed \$9,484,958

Amount and Source of Funding: Funding in the amount of \$1,850,724 is available in the Fiscal Year 2006-2007 Proposed Operating Budget of the Public Works Department. Funding for the remaining 12 months of the original contract period and extension options is contingent upon available funding in future budgets.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

**Additional Backup
Material**

(click to open)

[RTI HOT MIX BID TAB](#)

For More Information: R. C. Hernandez, Senior Buyer, 974-6434

Purchasing Language: Low bid of four bids received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9D of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program.) No subcontracting opportunities were identified; therefore, no goals were established for this solicitation. (Related to item 52)

This contract is for the purchase of Hot Mix Asphaltic Concrete (HMAC) Types A, B, C, C (SBS), D, and F to be used by the Street and Bridge Division of the Public Works Department on an as needed basis. The hot mix will be used for pavement repair and resurfacing of City streets. City trucks will pick up material at the contractor's plant. The hot mix that will be used does not contain coal tar.

RTI Hot Mix Ltd. is in compliance with Texas Commission on Environmental Quality requirements.

MBE/WBE Sent: 2/2 MBE/WBE Bid: 0/1

PRICE ANALYSIS a. Adequate competition. b. Eleven notices were sent including two MBEs and two WBEs. Five bids were issued. Four bids were received with one WBE responding. c. The pricing offered represents a 42% increase to the last contract award February 2005. The increase can be attributed to the increase in oil prices.

APPROVAL JUSTIFICATION a. Low bidder. b. The Purchasing Office concurs with Public Works Department's recommended award. c. Advertised in the Austin American-Statesman and on the Internet.

AGENDA DATE: 8/24/06
VENDOR NAME: RTI HOT MIX

BID TABULATION
IFB No. RH06100143
HOT MIX ASPHALT CONCRETE
(6 line items)

<u>Vendor</u>	<u>Total Bid Price</u>
RTI Hot Mix LTD Austin, TX	*\$3,290,175
Heart of Texas Belton, TX	\$3,357,925
Industrial Asphalt, Inc. (WBE/FR) Buda, TX	\$4,197,500
Austin Asphalt LP Irvin, TX	\$4,916,000

*An additional \$411,272 is being requested to allow for potential increases in the authorized contract amount due to industry wide price increases for petroleum based products.

Bid tabulation is on file in the Purchasing Office.